

Press release  
2 April 2020

## Notice of annual general meeting in Alimak Group AB

**The Board of Alimak Group AB has resolved to convene an annual general meeting to be held Thursday 7 May 2020. More detailed information about the contents of the proposals may be obtained from the complete notice to the annual general meeting below.**

The notice is expected to be published in the Swedish Official Gazette (Post- och Inrikes Tidningar) and on the Company's website within the next few days.

### NOTICE OF ANNUAL GENERAL MEETING ALIMAK GROUP AB

The annual general meeting of Alimak Group AB (publ) will be held on Thursday 7 May 2020 at 5:00 pm at Klara Strand, S:ta Clara, Klarabergsviadukten 90 in Stockholm. Registration begins at 4:30 pm.

#### RIGHT TO ATTEND AND NOTIFICATION TO THE COMPANY

Anyone wishing to attend the meeting must

- (i) be entered as a shareholder in the share register kept by Euroclear Sweden AB as of Thursday 30 April 2020,
- (ii) give notice to the Company of their intention to attend no later than Thursday 30 April 2020.

Notification of attendance may be given in writing to the Company at the address Årsstämman i Alimak Group AB, c/o Euroclear Sweden AB, PO Box 191, 101 23 Stockholm, Sweden or by telephone on +46 (0)8 402 92 08 weekdays between 9:00 am and 4:00 pm or on the Company's website: [www.alimakgroup.com](http://www.alimakgroup.com). When giving notification please state your name or company name, personal ID or company registration number, address and daytime telephone number. The registration procedure described above also applies to registration for any advisors. See below for further information on the processing of personal data.

#### NOMINEE REGISTERED SHARES

To be entitled to attend the meeting, holders of nominee registered shares must instruct the nominee to have the shares registered in the holder's own name, so that the holder is entered in the share register kept by Euroclear Sweden AB as of Thursday 30 April 2020. Registration in this way may be temporary.

#### PROXY AND PROXY FORM

Anyone who does not attend the meeting in person may exercise their right at the meeting via a proxy in possession of a signed and dated form of proxy. Forms of proxy are available on the Company's website: [www.alimakgroup.com](http://www.alimakgroup.com). The form of proxy may also be obtained from the Company or be ordered over the telephone using the number above. If the proxy is issued by a legal person, a copy

of their registration certificate or equivalent documentary authority must be attached. The proxy must have been issued within the past year unless a longer period of validity is specified on the form of proxy, subject to a maximum of five years. To facilitate entry to the meeting, forms of proxy, registration certificates and other documentary authority must be received by the Company in good time before the meeting.

#### **PRECAUTIONS/SPECIAL CONDITIONS WITH REGARDS TO THE CORONAVIRUS**

Alimak Group has due to the new coronavirus decided to take the following precautionary measures in connection with the Annual General Meeting in consideration of the health and safety of Alimak Group's shareholders, employees and other stakeholders.

- No food or beverages will be served.
- The presence of Board members and management will be limited.
- The number of staff will be limited and external guests will not be invited.

If you who are registered for Alimak Group's Annual General Meeting have symptoms of respiratory disease, even mild ones, or if you have been in close contact with someone infected with the coronavirus, Alimak Group encourage you to refrain from attending. Alimak Group would therefore also wish to remind you of the option not to attend in person at Alimak Group's Annual General Meeting, but instead to participate through a proxy. This is to avoid further spread of the infection. Alimak Group's guidelines are based on the guidelines of the Public Health Agency of Sweden. Alimak Group also follows the development carefully and may take further precautionary measures pursuant to any changes of the guidelines of the Public Health Agency of Sweden or if Alimak Group consider it to be necessary.

## PROPOSED AGENDA

1. Opening of the meeting
2. Election of Chair of the meeting
3. Preparation and approval of voting list
4. Approval of the agenda
5. Election of one or two persons to approve the minutes
6. Examination of whether the meeting has been duly convened
7. CEO's address
8. Presentation of the annual report and auditor's report, and also the group accounts and auditor's report for the group
9. Resolution on:
  - a) adoption of the profit and loss account and balance sheet, and also the consolidated profit and loss account and consolidated balance sheet;
  - b) allocation of the Company's results in accordance with the adopted balance sheet and determination of the record day for dividends; and
  - c) discharge from liability towards the Company for the Directors and the CEO for the financial year 2019
10. Resolution on number of Directors and number of auditors
11. Resolution on Directors' fees and auditor's fees
12. Election of Directors and Chair of the Board
13. Election of auditor
14. Resolution on guidelines for salary and other remuneration
15. Resolution on a performance-based stock savings program for senior executives
16. Resolution on
  - a) authorisation for the Board to resolve on acquisition of own shares,
  - b) authorisation for the Board to resolve on transfer of own shares,
  - c) transfer of own shares to participants in LTI 2020
17. Closure of the meeting

## **RESOLUTIONS PROPOSED BY THE NOMINATION COMMITTEE**

The Nomination Committee for the annual general meeting 2020 comprises the following members: Anders Mörrck, Investment AB Latour (Chair of the Nomination Committee); Johan Lannebo, Lannebo Fonder; Åsa Nisell, Swedbank Robur Fonder; Francisco De Juan, Alantra EQMC Asset Management and Jan Svensson, Chair of the Board of Alimak Group.

The Nomination Committee presents the following proposals for the general meeting:

### **Election of Chair of the meeting (item 2)**

The Nomination Committee proposes that Jan Svensson, be elected to chair the meeting.

### **Resolution on number of Directors and number of auditors (item 10)**

The Nomination Committee proposes that the Board should be composed of seven Directors elected by the general meeting, with no alternates, for the period until the next annual general meeting. The Nomination Committee proposes that the Company have one auditor, with no alternate.

### **Resolution on Directors' fees and auditor's fees (item 11)**

The Nomination Committee proposes that the fee to the Directors' for the period up to and including the annual general meeting 2021 will be paid as follows. The Chair of the Board will receive unchanged SEK 640,000, and the other Directors' elected by the general meeting will receive unchanged SEK 310,000 each. In addition, it is proposed that unchanged SEK 100,000 is payable to the Chair of the Audit Committee and SEK 75,000 to other members of the Audit Committee, SEK 70,000 to the Chair of the Remuneration Committee, and SEK 50,000 to other members of the Remuneration Committee.

Fees will be paid to the auditor in accordance with approved invoices.

### **Election of Directors and Chair of the Board (item 12)**

The Nomination Committee proposes re-election of Helena Nordman-Knutson, Tomas Carlsson, Christina Hallin, and Sven Törnkvist as Directors, and proposes Johan Hjertonsson, Petra Einarsson and Ole Kristian Jødahl as new Directors. Jan Svensson and Anders Jonsson has decided to resign as Directors. The Nomination Committee proposes that Johan Hjertonsson be elected Chair of the Board.

Johan Hjertonsson, MSc in Business and Economics, is President and CEO of Investment AB Latour. Previously, Johan has been President and CEO of AB Fagerhult and of Lammhults Design Group AB and has held a number of different senior positions within the Electrolux Group within marketing and product development. Johan is currently Chair of the Board of Nederman Holding AB, Swegon Group AB, Hultafors Group AB, Nord-Lock International AB, Caljan AS and Latour Industries AB and Board member of Sweco AB.

Petra Einarsson, MSc in Business and Economics, was previously President and CEO of the packaging company Billerud Korsnäs. Prior to that, she had a long career with senior positions within the engineering group Sandvik. Petra is also a board member of steel manufacturer SSAB.

Ole Kristian Jødahl, Norwegian School of Economics and Business Administration, is the President and CEO of Hultafors Group and has previously had a long career with several senior positions within SKF. Ole is also a Board member of Nord-Lock International AB. Ole Kristian Jødahl has been appointed as President and CEO of Alimak Group, effective as of June 1, 2020.

Information about the other proposed Directors is available on the Company's website: [www.alimakgroup.com](http://www.alimakgroup.com).

### **Election of auditor (item 13)**

The Nomination Committee proposes that the registered audit company Ernst & Young AB be reappointed auditor. The proposal of the Nomination Committee corresponds with the recommendation of the Audit Committee. Neither the Nomination Committee's proposal nor the Audit

Committee's recommendation has been subject to influence of a third party nor subject to any terms in contract limiting the choice of auditor.

Ernst & Young AB has given notice that if the Nomination Committee's proposal for auditor is adopted at the meeting, Henrik Jonzén, Authorised Public Accountant, will be the person appointed to have main responsibility for the audit.

## **RESOLUTIONS PROPOSED BY THE BOARD**

### **Allocation of the Company's results in accordance with the adopted balance sheet and determination of the record day for dividends (item 9 b)**

The Board proposes that the distributable profit of MSEK 2,637 be allocated as follows. A total dividend of MSEK 94 will be paid to the shareholders, equal to SEK 1.75 per share. The remaining sum of MSEK 2,543 will be carried forward. The proposed record day for dividends is Monday 11 May 2020. If the resolution is passed at the meeting, it is expected that dividends will be distributed by Euroclear Sweden AB on Thursday 14 May 2020.

### **Resolution on guidelines for salary and other remuneration (item 14)**

The Board proposes that the general meeting resolves on the following guidelines for salary and other remuneration to directors, President and Chief Executive Officer (CEO), Deputy CEO and other senior executives essentially in accordance with the following.

Senior executives refer to senior executives of the Group executive management. These guidelines will be valid for agreements entered into after the general meeting's resolution and for changes made to existing agreements thereafter. These guidelines do not apply to any director fees decided or approved by the general meeting or such issues and transfers as are covered by Chapter 16 of the Swedish Companies Act (SFS 2005:551).

*The guidelines' promotion of the Company's business strategy, long-term interests and sustainability*  
In short, the Company's business strategy is the following.

Alimak Group will improve its position as a global, market leading supplier of professional vertical access solutions in order to achieve sustainable, profitable growth. This is to be achieved through market expansion, growth in after sales business and through business optimisation.

For more information regarding the business strategy of the Group, please see [alimakgroup.com](http://alimakgroup.com), as well as the latest annual report including sustainability report.

It is of fundamental importance to the Group and its shareholders that these guidelines, in both a short- and long-term perspective, create good conditions to attract and retain senior executives and other employees with excellent competence. The purpose of these guidelines is to increase transparency in remuneration issues and through relevant remuneration structures, create incentives for senior executives, to execute strategic plans and deliver effective operational results to support the Group's business strategy and long-term interests, including its sustainability. To obtain this, it is important to sustain fair and internally balanced terms that are at the same time competitive on the market with respect to structure, scope and compensation levels. These guidelines ensure that senior executives, regardless of geographical market, may be offered a competitive total compensation.

#### *Remuneration and forms of remuneration*

The terms of employment for senior executives should consist of a balanced combination of fixed remuneration, variable remuneration, pension and other benefits and terms for dismissal/ severance payment. Furthermore, the Board may prepare and the general meeting resolve, on share and share-price related incentive programs. Such a combination of compensation fosters and supports management and achievement of objectives in both a short and long-term perspective. The various types of remuneration that may be paid out are described below.

#### *Fixed remuneration*

The fixed remuneration shall be individually determined and shall be based on each individual's responsibility and role as well as the individual's competence and experience in the relevant position.

In the event of full payment of variable remuneration, the fixed remuneration comprises between 45-55 per cent of the total remuneration to senior executives.

#### *Variable remuneration*

Senior executives have an annual variable remuneration that is payable after each year end. The annual variable remuneration is structured as a percentage rate of the total compensation. Variable remuneration objectives shall primarily be based on the outcomes of financial objectives for the Group as well as clearly defined individual objectives with respect to specific assignments or the Group's sustainability efforts. The objectives shall be designed so as to promote the Group's business strategy and long-term interests, including its sustainability, through having a direct alignment to business strategy and promoting the long-term development of the senior executive.

The variable remuneration varies depending on position and may be up to 70 per cent of the fixed remuneration for the CEO and up to 50 per cent of the fixed remuneration for other senior executives. The objectives are constructed so that no variable remuneration will be paid if a certain minimum performance level is not achieved. In the event of full payment of variable remuneration, the variable remuneration comprises between 25-30 per cent of the total remuneration to senior executives.

At the end of the annual measurement period, an overall performance evaluation shall be made to determine the extent to which the objectives have been achieved. The Remuneration Committee is responsible for the evaluation with respect to variable compensation to the CEO and other senior executives. With regards to financial objectives, the evaluation will be based on the latest audited financial information made public by the Group.

The Group does not have any potential deferral periods or, according to agreements, any possibility to reclaim variable remuneration.

#### *Pension*

The main principle is that pension contributions are based on collective bargaining agreement provisions in each geographical market. On entering into new pension agreements, senior executives entitled to pension will have defined contribution pension agreements based on fixed remuneration. Variable remuneration shall constitute pensionable salary to the extent necessary to comply with mandatory collective bargaining agreement provisions applicable to the senior executive. Pensioning of senior executives takes place in accordance with the respective country's pension rules.

Pension agreements for the CEO may exceed applicable local collective bargaining agreements, but must be defined contribution based, and must not exceed between 30-40 per cent of the fixed remuneration.

For employments governed by rules other than Swedish, pension benefits may be duly adjusted for compliance with mandatory rules or established local practice, taking into account, to the extent possible, the overall purpose of these guidelines.

In the event of full payment of variable remuneration, pensions comprise between 15-20 per cent of the total remuneration to senior executives.

#### *Other benefits*

Other benefits, such as company car, housing allowance, compensation for healthcare, and health and medical insurance must comprise a minor part of the total compensation and must correspond to what may be deemed market practice in each geographical market.

For employments governed by rules other than Swedish, other benefits may be duly adjusted for compliance with mandatory rules or established local practice, taking into account, to the extent possible, the overall purpose of these guidelines.

In the event of full payment of variable remuneration, other benefits comprise between 5-10 per cent of the total remuneration to senior executives.

### Special remuneration

Further special remuneration, provided that such extraordinary arrangements are limited in time and do not exceed 36 months, and may only be awarded on an individual basis, either for the purpose of recruiting or retaining executives, or to induce individuals to move to new places of service or accept new positions, or as remuneration for extraordinary performance beyond the individual's ordinary tasks. These must not exceed an amount equivalent to two times the remuneration the senior executive would have received in the absence of such an agreement on special remuneration. Such remuneration may not be awarded more than once per year and per individual. Any resolution on such remuneration shall be made by the Board based on a proposal from the Remuneration Committee.

### Long-term incentive program

This year, as twice previously, the Board has proposed that the general meeting adopts a performance-based stock option program, as the Board believes that such a program offers the best means of tying rewards to senior executive and key employees, to the Company's future earnings and value development.

The program mentioned requires a personal investment in the Company's shares, and that these shares are retained during a three-year period of service. At the end of the period of service, participants will be allotted shares in the Company at no cost, on the condition that certain terms of service such as continued employment and a specific financial performance objective, are fulfilled.

These long-term incentive programs foster the Group's business strategy, long-term interests, including its sustainability, through improving the ability of the Group to recruit and retain employees, spread and increase share ownership among key employees, and ensure a united focus on long-term value increase for shareholders.

There will be no allotment under the Company's long-term incentive program during the year 2020, as no previous incentive program comes to an end at this time.

### Terms for dismissal etc.

Terms for dismissal and severance pay shall correspond to what may be deemed market practice on each geographical market. The CEO has a notice period of 6 months on their part and 12 months on the part of the Company. Other senior executives have a notice period up to 6 months. On entering into new employment agreements, agreement may be made with senior executives on severance pay corresponding to a maximum of 12 months' fixed remuneration. The foregoing applies only to notice given by the Company and, in general, the established practice in each geographical market where the executive works, applies.

### Remuneration payable to Directors

In certain cases, Directors re-elected by the general meeting, should be able to receive fees and other remuneration for work carried out on behalf of the Group, alongside their Board work. Fees at market rates, approved by the other Board members, may be payable for such services.

### Remuneration and employment conditions for other employees

In the preparation of this proposal for guidelines, remuneration and employment conditions for employees of the Company have been taken into account by including information on the employees' total income, the components of the remuneration and increase and growth rate over time, in the Remuneration Committee's and the Board's basis of decision when evaluating the reasonableness of the guidelines and appurtenant limitations.

### The decision-making process to determine, review and implement the guidelines

The Board resolves, after preparation by the Remuneration Committee, on the structures of remuneration systems, as well as levels and forms of remuneration to senior executives. The Board shall prepare a proposal for new guidelines at least every fourth year and submit it to the general meeting for adoption. The guidelines shall be in force until new guidelines are adopted by the general meeting. The Remuneration Committee shall monitor and evaluate programs for variable remuneration for the Group executive management, the application of the guidelines as well as the current remuneration structures and compensation levels in the Group.

The members of the Remuneration Committee are independent of the Group and the executive management of the Group. The CEO and other members of the Group executive management do not participate in the Board's processing of and resolutions regarding remuneration-related matters in so far as they are affected by such matters. Conflicts of interest are counteracted in all resolutions and any potential conflicts of interest are handled in accordance with the Group's framework for governance, consisting out of a code of conduct, policies and guidelines.

#### Derogation from the guidelines

The Board may temporarily resolve to derogate from the guidelines, in whole or in part, if in a specific case there is special cause for the derogation and a derogation is necessary to serve the Company's long-term interests, including its sustainability, or to ensure the Company's financial viability. As set out above, the Remuneration Committee's tasks include preparing the Board's resolutions in remuneration-related matters. This includes any resolutions to derogate from the guidelines.

#### Description of material changes to the guidelines and how the views of shareholders' have been taken into consideration

The content of the guidelines has been reviewed and adapted to the legal requirements imposed by Directive (EU) 2017/828 of the European Parliament and of the Council amending Directive 2007/36/EC as regards encouragement of the long-term shareholder engagement.

#### Miscellaneous

Total remuneration and other benefits paid to senior executives during the year are stated in the annual report.

#### **Resolution on a performance-based stock savings program for senior executives (item 15)**

The Board proposes that the general meeting resolves to adopt a performance-based stock savings program ("LTI 2020") for senior executives and key employees within the Group essentially in accordance with the following.

If the meeting adopts LTI 2020, the Board intends to subsequently provide notice of target levels and results not later than at the annual general meeting in 2023. LTI 2020 does not entail any dilution for the existing shareholders of the company.

The Board's intention is that the incentive program will run over a long-term period, consequently the Board intends to propose the general meeting in the coming years to resolve upon similar incentive programs.

#### Summary and reasons

The program covers maximum 50 senior executives and key employees within the Group. In order to participate in the program, a personal investment in the company's shares is required. After the qualifying period, the participants will be allotted shares in the company without any payment of consideration provided that certain qualifying terms and conditions have been fulfilled. In order for these so-called Performance Share Rights to entitle the participant to receive shares in the company, continued employment with the Group is required during the qualifying period and the employee's own investment in shares in the company must have been maintained in its entirety throughout the same period of time. In order for allotment of shares to take place, a financial performance target related to the average earnings per share for the Group during the 2020 and 2021 financial years must also be achieved.

The reasons for the proposal by the Board regarding LTI 2020 are to strengthen the Group's ability to recruit and maintain employees, to broaden and increase share ownership amongst senior executives and key employees, and to ensure a common focus on long-term growth in shareholder value which ensures that shareholders and the relevant employees will have the same targets. Through a performance-based stock savings program, the rewards provided to senior executives and key employees can be linked to the Group's future earnings and growth thereby prioritizing long-term growth and ensuring that the shareholders and relevant employees have the same targets.

#### Performance Share Rights

Performance Share Rights mean that participants in the program are entitled, for each Performance Share Right, to receive one share in the company free of charge provided that the below qualifying



terms and conditions have been fulfilled (“**Performance Share Right**”). Performance Share Rights are allotted without payment of any consideration.

Participant terms and conditions for LTI 2020

LTI 2020 covers maximum 50 senior executives and key employees within the Group (the “**Participants**”) who are divided into three categories as follows:

Category 1: 1 participant – the CEO

Category 2: 14 participants – group management and certain country managers

Category 3: 35 participants – country managers and key employees

The Board may reallocate the number of participants between categories 2 and 3, provided that the total number of Performance Share Rights for these two categories is not exceeded (see below).

In order to receive an allotment of Performance Share Rights, the Participants must acquire the following number of shares in the company on the market (“**Savings Shares**”):

Category 1: 250 - 1,500 Savings Shares

Category 2: 250 - 1,000 Savings Shares

Category 3: 250 or 500 Savings Shares

Each stake in the program is 250 shares and the participants in each category can choose how many stakes the participant wants to buy up to the ceiling stated for the category the person belongs to. A participant in category 2 can thus choose between buying 250, 500, 750 or 1,000 Savings Shares and a participant in category 3 can choose between buying 250 or 500 Savings Shares.

For each acquired Saving Share as set forth above, the Participant is entitled to receive allotment of Performance Share Rights as follows:

Category 1: 1 acquired Savings Share entitles the holder to four Performance Share Rights (Maximum 6,000 Performance Share Rights).

Category 2: 1 acquired Savings Share entitles the holder to three Performance Share Rights (Maximum 42,000 Performance Share Rights).

Category 3: 1 acquired Savings Share entitles the holder to two Performance Share Rights (Maximum 35,000 Performance Share Rights).

In the event the Participant has insider information and he/she is therefore prohibited from acquiring Savings Shares in the company at the time of the application to participate in the program, the acquisition of Savings Shares shall take place as soon as possible but within three months of submitting the application.

Qualifying terms and conditions

In order for the Participant to be able to exercise their Performance Shares Rights and receive allotment of shares in the company, the following qualifying terms and conditions must be fulfilled:

*Retention*

The participant may not have sold any of the originally held Savings Shares during the time of the acquisition of the Savings Shares until the day after publication of the company’s interim report for the first quarter of 2023 (the “**Qualifying Period**”).

*Employment*

The Participant must remain an employee of the Group during the Qualifying Period.

### *Performance*

The Group must achieve a financial performance target (the “**Performance Target**”).

The number of Performance Share Rights which entitle the holder to allotment depends on the degree of target fulfilment of an interval established by the Board regarding the Group's earnings per share during the 2020 and 2021 financial years. The results will be measured between the established minimum level and the established maximum level and need not be linear. In the event the minimum level in the interval is not achieved, the Performance Share Rights will not entitle the holder to any shares and if the maximum level of the interval is achieved, each Performance Share Right will entitle the holder to one share. The Board will provide notice regarding target levels and results not later than at the annual general meeting in 2023.

### *Other terms and conditions and profit limits*

The following terms and conditions otherwise apply to the Performance Share Rights:

Participants are not entitled to transfer, pledge, or sell the Performance Share Rights, or to exercise any shareholder rights with respect to the Performance Share Rights, during the qualifying period.

The profit per allotted share is limited to a maximum amount corresponding to an increase in value of approximately 300 per cent of the share price during the application period of the program. In the event the profit exceeds this limit, an adjustment shall be made by recalculating downwards to a corresponding extent the number of shares the participant will receive.

### *Structure and administration*

The Board is responsible for the more detailed structure and administration of LTI 2020 as well as the detailed terms and conditions which shall apply between the company and the Participant under the program, within the scope of the terms and conditions and guidelines set forth herein. In conjunction with this, the Board shall be entitled to establish different terms and conditions for the program regarding, among other things, the Qualifying Period and allotment of shares, in the event of termination of employment during the Qualifying Period as a consequence of, for example early retirement. The Board shall also be entitled to make adjustments in order to fulfil specific rules or market conditions abroad.

If the Participant's acquisition of Saving Shares or the company's delivery of shares cannot be made at a reasonable cost or with reasonable administrative effort due to circumstances abroad, the Board is authorised to decide that the Participant will be offered a comparable cash-based alternative instead.

In certain cases, the Board shall be entitled to reduce the final allotment of shares or to terminate the program early, in whole or in part, without payment of any compensation to the Participants in the event of significant changes in the Group or on the market.

### *Maximum quantity*

The maximum number of Performance Share Rights which may be issued according to LTI 2020 is 83,000, corresponding to approximately 0.15 per cent of the outstanding shares and votes in the company.

According to the specific conditions adopted by the Board, the number of shares covered by LTI 2020 may be subject to recalculation due to a bonus issue, reverse share split or share split, rights issue, or similar measures carried out by the company, taking into consideration customary practice for corresponding incentive programs. Recalculation may also be made so that extraordinary payments of dividends are taken into consideration. Upon recalculation, the profit limit per share may also be subject to any corresponding recalculation.

### *Security measures*

In order to secure delivery of shares under LTI 2020, the Board proposes that the Board be entitled to resolve to carry out alternative methods for transfers of shares under the program. Consequently, the Board proposes that it be entitled to transfer repurchased shares to the Participants (according to section 16 c) or to enter into share swap agreements with third parties in order to fulfil the obligations under the program. If delivery of shares is secured through share swap agreements, it is proposed

that the Board be entitled to transfer repurchased shares on Nasdaq Stockholm in order to finance potential costs related to the agreement and the program (according to section 16 b). The Board is of the opinion that the first alternative, i.e. transfers of repurchased shares to the Participants, is the most cost-efficient and flexible method for delivery of shares and for covering certain costs, primarily employer payroll taxes.

#### Costs for LTI 2020

Assuming full results for the Performance Target and a share price at the end of the Qualifying Period of a maximum of SEK 520 (300 per cent) increase based on a starting share price of SEK 130), the total cost for LTI 2020, including employer payroll taxes, is estimated to amount to a maximum of approximately MSEK 24 which corresponds on an annual basis to approximately MSEK 8. Assuming results for the performance target of 50 per cent and a share price at the close of the Qualifying Period of a maximum of SEK 520, the total cost for LTI 2020, including employer payroll taxes, is estimated to amount to a maximum of MSEK 12, which on an annual basis corresponds to circa MSEK 4.

The costs of the program are booked as personnel costs in the income statement during the Qualifying Period in accordance with IFRS 2 – Share-based payment. Employer payroll taxes will be booked on the income statement according to UFR 7 during the qualifying period. The amount of these costs will be calculated based on the share price performance and the outcome of the qualifying terms and conditions during the Qualifying Period.

The Board believes that the positive earnings effects which can be achieved from the fact that senior executives and key employees will increase their shareholdings, and also be permitted to further increase their shareholdings through the program, outweigh any costs related to LTI 2020.

#### Preparation of the matter

LTI 2020 was initiated by the Board of the company and has been prepared in consultation with Advokatfirman Westermark Anjou AB. The program was prepared in the Board's Remuneration Committee and at the Board meeting in February 2020.

#### Other long-term incentive programs

The company currently have two outstanding long-term incentive programs in place, LTI 2018 and LTI 2019.

#### **Resolution on authorisation for the Board to resolve on acquisition of own shares (item 16 a)**

The Board proposes that the general meeting authorises the Board to resolve on acquisition of own shares on one or several occasions during the period up to the annual general meeting 2021 essentially in accordance with the following.

1. Acquisition of own shares must be made on Nasdaq Stockholm.
2. Own shares may be acquired to the extent the company's holdings of own shares in total amounts to no more than one tenth of all shares in the company.
3. Acquisition of own shares on Nasdaq Stockholm shall be made in cash and at a price within the stock market price interval registered at any given time, such interval being the interval between the highest purchase price and the lowest sales price.

The reasons for the proposed authorisation to repurchase own shares are:

- (i) to increase the flexibility of the Board in connection to potential future corporate acquisitions,
- (ii) to enable share transfers of own shares to participants in LTI 2018, LTI 2019, LTI 2020 as well as to participants in future incentive programs, and
- (iii) to enable divest holdings of shares to cover costs for LTI 2018, LTI 2019, LTI 2020 and future incentive programs.

**Resolution on authorisation for the Board to resolve on transfer of own shares (item 16 b)**

The Board proposes that the general meeting authorises the Board to resolve on transfer of own shares on one or several occasions during the period up to the annual general meeting 2021 essentially in accordance with the following.

1. Transfer of own shares must be made either on Nasdaq Stockholm or in another manner.
2. Transfer of own shares may be made with disapplication from the shareholders' pre-emption rights.
3. The maximum number of shares that may be transferred is the total number of own shares held by the company at the time of the Board's resolution to transfer the shares.
4. Transfer of own shares on Nasdaq Stockholm shall be made at a price within the stock market price interval registered at any given time, such interval being the interval between the highest purchase price and the lowest sales price, transfer of own shares in another manner shall be made at a minimum price that shall be determined in close connection with the shares' market value at the time of the Board's resolution to transfer the shares.
5. Payment for the transferred shares may be made in cash, by contribution in kind or by way set-off.
6. The Board will be entitled to determine the other terms and conditions of the transfer which, however, shall be in accordance with the market practice.

The reasons for the proposed authorisation to transfer own shares and for the disapplication from the shareholders' pre-emption rights are:

- (i) to cover costs relating to LTI 2018, LTI 2019 and LTI 2020, and
- (ii) to increase the flexibility of the Board in connection to potential future corporate acquisitions by facilitating a fast and cost-efficient financing by divesting holdings of own shares.

**Resolution on transfer of own shares to participants in LTI 2020 (item 16 c)**

The Board proposes that the general meeting resolves on transfer of own shares essentially in accordance with the following.

1. The maximum number of shares that may be transferred is 83,000.
2. The participants in LTI 2020 are, with disapplication from the shareholders' pre-emption rights, entitled to acquire the shares with right for each of the participants to acquire no more than the maximum number of shares allowed under the terms and conditions for LTI 2020.
3. The participants' right to acquire shares are conditional upon the fulfilment of all of the conditions set up in LTI 2020.
4. The shares must be transferred within the time period set out in the terms and conditions of LTI 2020.
5. The shares must be transferred free of charge to the participants in LTI 2020 under the established terms and conditions of LTI 2020.
6. The number of shares that may be transferred to the participants in LTI 2020 may be recalculated due to bonus issue, share split, rights issue and similar events in accordance with the terms and conditions of LTI 2020.

The reason for the proposed transfer and for the disapplication from the shareholders' pre-emption rights is to enable delivery of shares under LTI 2020.

The Board proposes that a resolution under this proposal is to be subject to the general meeting having resolved to pass the Board's proposal on LTI 2020 under item 15 on the agenda.

### **SPECIAL MAJORITY REQUIREMENT**

For resolutions according to items, 16 a (authorisation on acquisition of own shares) and 16 b (authorisation on transfer of own shares) to be valid, each proposal must be supported by shareholders holding at least two thirds of the votes cast as well as of the shares represented at the meeting. A resolution according to item 16 c (transfer of own shares to participants in LTI 2020) is valid only when supported by shareholders holding at least nine tenths of the votes cast as well as of the shares represented at the meeting.

### **DOCUMENTS**

The complete proposals put forward by the Board and the Nomination Committee, including the Board's and the auditor's statements, along with financial statements and the auditor's report for 2019 will be available at the Company and on the Company's website [www.alimakgroup.com](http://www.alimakgroup.com) as from no later than 16 April 2020, and will be sent immediately without charge to any shareholders who so request and state their postal address. The documents will also be available at the meeting.

### **NUMBER OF SHARES AND VOTING RIGHTS**

The total number of shares in the Company as of the date of this notice is 54,157,861 shares, representing a total of 54,157,861 voting rights. As of the day per this notice the Company owns 297,111 of its own shares.

### **INFORMATION AT THE MEETING**

If any shareholder so request and the Board considers it possible without material harm to the Company, the Board and the CEO must provide information at the meeting on any circumstances that may influence determination of an item on the agenda, circumstances that may influence determination of the financial position of the Company or any of its subsidiaries, the group accounts and the Company's relationship to another group Company. Any shareholder wishing to submit questions in advance may do so to Mathilda Eriksson (Investor Relations Manager), by post to the address Alimak Group AB, Blekholmstorget 30, 111 64 Stockholm or by e-mail to the address [mathilda.eriksson@alimakgroup.com](mailto:mathilda.eriksson@alimakgroup.com).

### **PROCESSING OF PERSONAL DATA**

For information on how your personal data is processed, please see <https://www.euroclear.com/dam/ESw/Legal/Privacy-notice-bolagsstammor-engelska.pdf>

Stockholm in April 2020  
**Alimak Group AB (publ)**  
*The Board of Directors*

### ***For more information, please contact:***

*Mathilda Eriksson, Investor Relations and Group Communications Manager, +46 8 402 14 41*

### **About Alimak Group**

Alimak Group is a world-leading provider of vertical access solutions for professional use. With a global reach spanning over more than 100 countries, the Group offers vertical access solutions adding customer value through greater safety, productivity and resource efficiency. Alimak Group's products and service solutions are sold under the brands Alimak, CoxGomyl, Manntech, Avanti and Alimak Service. The Group has an installed base of around 70,000 elevators, hoists, platforms, service lifts and building maintenance units around the world. Founded in Sweden 1948, the Group has its headquarters in Stockholm, 11 production and assembly facilities in 8 countries and 2,300 employees around the world. [www.alimakgroup.com](http://www.alimakgroup.com)